

AT&T ILLINOIS

EXHIBIT 3

Schedule 1

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

Illinois Bell Telephone Company :
Application for permission to :
adjust the boundaries of the :
Collinsville, East St. Louis, :
Edwardsville, Glen Carbon and :
Granite City Exchanges located :
in Madison and St. Clair Counties: 26-0424
and for a new certificate of :
public convenience and necessity :
to construct, operate and main- :
tain a telephone public utility :
business in the Collinsville, :
East St. Louis, Edwardsville, :
Glen Carbon and Granite City :
Exchanges. :

ORDER

By the Commission:

On September 30, 1986, Illinois Bell Telephone Company ("Applicant") filed its verified application requesting Illinois Commerce Commission ("Commission") approval to adjust the boundaries of its Collinsville, East St. Louis, Edwardsville, Glen Carbon and Granite City Exchanges located in Madison and St. Clair Counties and for the issuance of a new Certificate of Exchange Service Authority in connection therewith.

Pursuant to notice duly given as required by law and the rules and regulations of the Commission, hearings were held on November 13, 1986 and January 29, 1987, before a duly authorized Hearing Examiner of the Commission at its offices in Springfield, Illinois.

At the initial hearing, appearances were entered by counsel for the Applicant, by Harvey G. Nelson on behalf of the Telephone Engineering Section of the Illinois Commerce Commission and by Mr. James W. Sparks, a subscriber affected by the proposed boundary revision who appeared pro se. Mr. Sparks requested Leave to Intervene at the initial hearing, which was granted by the Hearing Examiner. Evidence was offered in support of the application by Applicant's Assistant Manager of Exchange Boundary Administration and Mr. Sparks testified in opposition to the Application insofar as it affected his current telephone number. The matter was then continued to January 29, 1987 for further proceedings.

At the hearing held on January 29, 1987, Applicant introduced the testimony of an outside plant planning engineer who testified

in support of the application. At the conclusion of the January 29, 1987 hearing, the record was marked "Heard and Taken."

Applicant seeks in this proceeding to remove Area "A" from the Granite City Exchange and to add it to the Collinsville Exchange; to withdraw Area "B" from the Collinsville Exchange and add it to the Granite City Exchange; to remove Area "C" from the Granite City Exchange and to add it to the Glen Carbon Exchange; to withdraw Area "D" from the Granite City Exchange and to add it to the Edwardsville Exchange; to withdraw Area "E" from the East St. Louis Exchange and to add it to the Collinsville Exchange and for the issuance of a new certificate of Exchange Service Authority reflecting the revised boundaries of its Collinsville, East St. Louis, Edwardsville, Glen Carbon and Granite City Exchanges. Areas "A", "B", "C", "D" and "E" are identified in various exhibits filed in this matter as Exhibits "1" through "6".

There are no subscribers currently located in Areas "A", "C", "D" and "E". These areas are located along or about the path of the extension to Interstate 255 which is currently under construction. Applicant desires to adjust the exchange boundaries around Areas "A", "C", "D" and "E" to best position itself to provide service in the event that there is development along the interstate in these areas. The proposed boundary adjustment around Area "A" will avoid the need for crossing the Cahokia Canal with Granite City facilities which Applicant estimates would cost \$125,000. If the boundary adjustment with respect to Area "A" is granted service would then be provided by Collinsville Exchange facilities which would extend over the new interstate via an Illinois Power Company aerial crossing already in place at Black Lane. In addition, use of the canal as an exchange boundary would be a much more readily identifiable boundary than the current boundary. The use of the interstate as an exchange boundary with respect to Areas "C" and "D" as proposed by Applicant will be an improvement over the present boundary and will eliminate any need to cross the interstate with Granite City Facilities. Applicant estimates that such a crossing would also cost approximately \$125,000. The boundary adjustment around Area "E" is proposed as being an improvement over the existing boundary.

The boundary adjustment around Area "B" as proposed by Applicant presents a more vexing problem in that withdrawal of this area from the Collinsville Exchange into the Granite City Exchange will require that 52 existing subscribers change their telephone number. All 52 subscribers affected by this Application were notified in writing by Applicant of its proposed boundary adjustment and the effect it would have on existing service. Forty-eight subscribers never responded to the notification and presumably have no objection to the telephone number change. Three subscribers responded to the notification by advising Applicant that they were in favor of the boundary

adjustment and one subscriber, Mr. William Sparks, who appeared in these proceedings, objected to a telephone number change.

Applicant makes the following arguments in support of its request to adjust the boundary with respect to area "B";

- 1) use of the interstate makes for a more permanent and readily identifiable boundary than the current existing boundary;
- 2) the current boundary bisects a residential subdivision (Arlington Heights) so that residents located east of the exchange boundary receive Collinsville service while residents located to the west of the exchange boundary receive Granite City service. Adjusting the boundary as proposed would unify the subdivision so that all the residents receive service from the same exchange - Granite City;
- 3) Collinsville service is currently provided to Area "B" through a 400 pair cable placed in the path of the interstate prior to construction. The 400 pair cable is connected to a 100 pair cable on both sides of the interstate. Applicant is concerned about its ability to provide uninterrupted service to Area "B" with its existing cable during and after construction of the interstate. The 400 pair cable is situated in such a manner so as to make access to the cable for servicing difficult, if not impossible. Cable so situated beneath an interstate is considered "high risk" cable susceptible to damage which could cause serious service outages. Furthermore, Applicant has been advised by the Department of Transportation that during the period of construction Applicant will not be allowed to access any of its facilities in the area of the interstate. In the opinion of Applicant, the best solution to this problem is to adjust the boundary around Area "B" and reverse the feed to the 100 pair cable located within Area "B" to serve the subscribers in Area "B" from the Granite City Exchange. Not only does this solution make sense, argues Applicant, from a standpoint of the community of interests the subscribers in Area "B" share with adjacent neighbors but it will avoid the servicing problems outlined above and it will avoid the need to cross the interstate with additional facilities thereby resulting in a cost savings to Applicant of approximately \$125,000.

On balance, the Commission believes that the benefits to the Applicant and its subscribers of the boundary adjustments proposed in this Application outweigh any inconvenience to the subscribers affected. Furthermore, implementation of the boundary adjustment

will not require a telephone number change until the issuance of the 1988 telephone directory which should provide sufficient lead time to minimize any inconvenience that may be occasioned by the boundary adjustment proposed.

A proposed order was served on all parties as required by 83 Ill. Adm. Code 200.829. No exceptions were received.

The Commission, having considered the entire record herein and being fully advised in the premises, is of the opinion and finds that:

- (1) Applicant is an Illinois corporation engaged in the business of providing telephone service in the State of Illinois and is subject to the provisions of "The Public Utilities Act," as amended;
- (2) the Commission has jurisdiction of the Applicant and the subject matter hereof;
- (3) Applicant has previously obtained a Certificate of Public Convenience and Necessity with respect to its Collinsville and Glen Carbon Exchanges on June 6, 1979 in Docket No. 78-0573, on August 6, 1980 in Docket No. 80-0235 with respect to its East St. Louis and Granite City Exchanges and on July 9, 1986 in Docket No. 86-0013 with respect to its Edwardsville Exchange;
- (4) the statements contained in the prefatory portion of this order are supported by the evidence and the record and are now hereby adopted as Findings of Fact;
- (5) the proposed boundary revisions as they affect Applicant's Collinsville, East St. Louis, Edwardsville, Glen Carbon and Granite City Exchange are identified on Appendices "A", "B", "C", "D" and "E", respectively, attached hereto and make a part hereof;
- (6) Areas "A" and "C" are served by and will continue to be served by the Long Lake Fire Protection District; Area "B" is served by and will continue to be served by the Long Lake Fire Protection District and the State Park Fire Protection District; Area "D" is served by and will continue to be served by the Mitchel Fire Protection District and Area "E" is served by and will continue to be served by the State Park Fire Protection District;
- (7) 911 service is not available in the Collinsville, Glen Carbon and Granite City Exchange, therefore Areas "A", "B", "C" and "E" will not have access to a "911" system;

the "911" service provided in the Edwardsville Exchange will be available for Area "D";

- (8) the proposed transfer of the subject area is reasonable and in the public interest and the Application should be granted; Applicant should be authorized to revise the boundaries of its Collinsville, East St. Louis, Edwardsville, Glen Carbon and Granite City Exchange in accordance with the areas shown on Appendices "A", "B", "C", "D" and "E" attached hereto and made a part hereof.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that Applicant be, and is hereby, authorized to adjust the boundaries of its Collinsville, East St. Louis, Edwardsville, Glen Carbon and Granite City Exchanges in accordance with the areas shown on Appendices "A", "B", "C", "D" and "E" attached to this order.

IT IS FURTHER ORDERED that the Illinois Bell Telephone Company be, and it is hereby, granted a certificate of Exchange Service Authority to construct, operate and maintain telephone facilities and to transact a telephone public utility business within its Collinsville, East St. Louis, Edwardsville, Glen Carbon and Granite City Exchanges as shown on Appendices "A", "B", "C", "D" and "E" attached to this order.

IT IS FURTHER ORDERED that the certificate shall be the following:

CERTIFICATE OF EXCHANGE SERVICE AUTHORITY

It is hereby certified that Illinois Bell Telephone Company is authorized to construct, operate, and maintain telephone facilities and transact a telephone public utility business in the areas of the Collinsville, East St. Louis, Edwardsville, Glen Carbon and Granite City Exchange as shown on Appendices "A", "B", "C", "D" and "E" attached to the order.

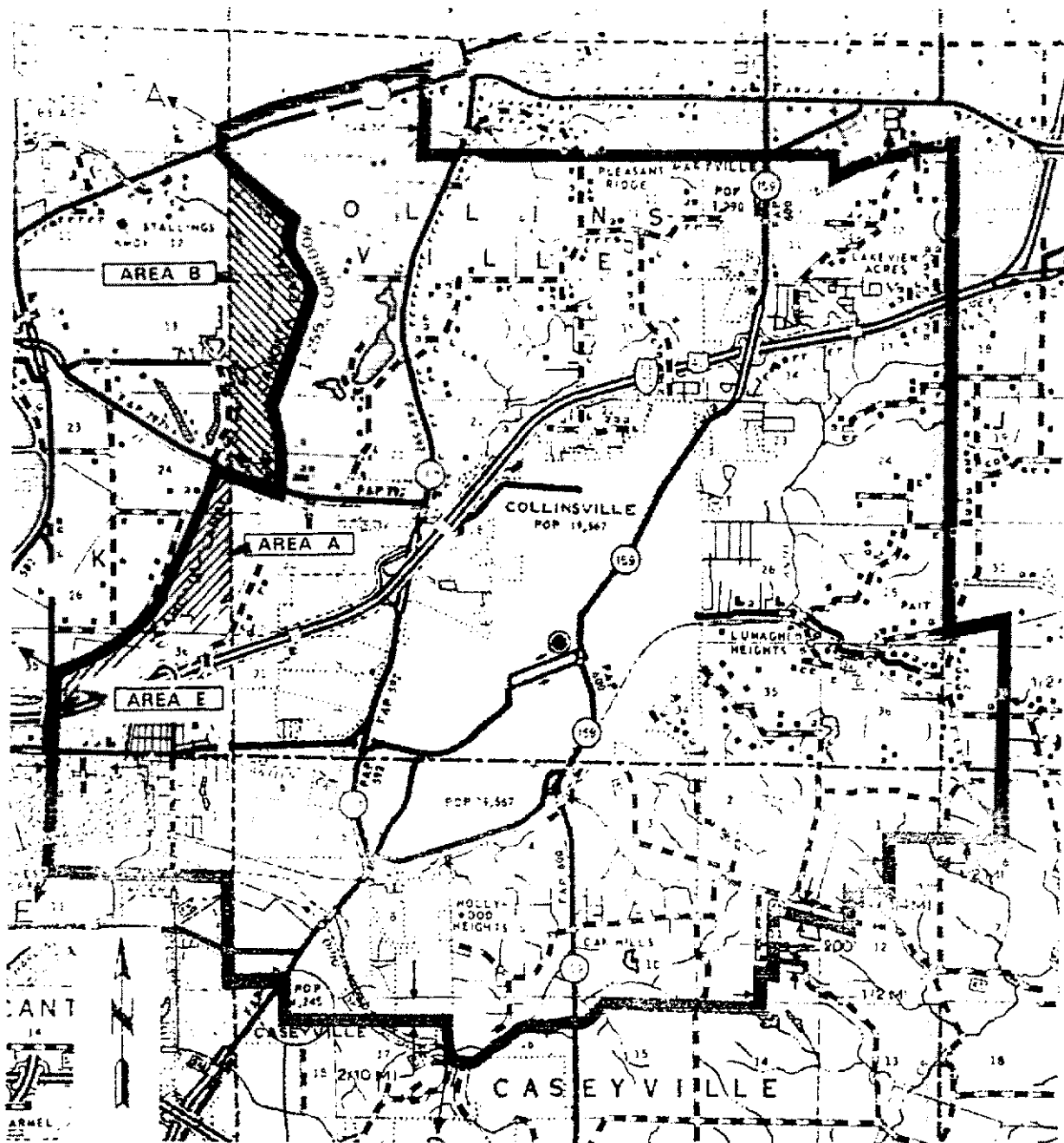
IT IS FURTHER ORDERED that Illinois Bell Telephone Company file with this Commission exchange area boundary maps for the exchanges herein certified in accordance with this order and 83 Ill. Adm. Code 730 (formerly General Order 197), and said maps be filed within thirty (30) days from the date of this order.

86-0424

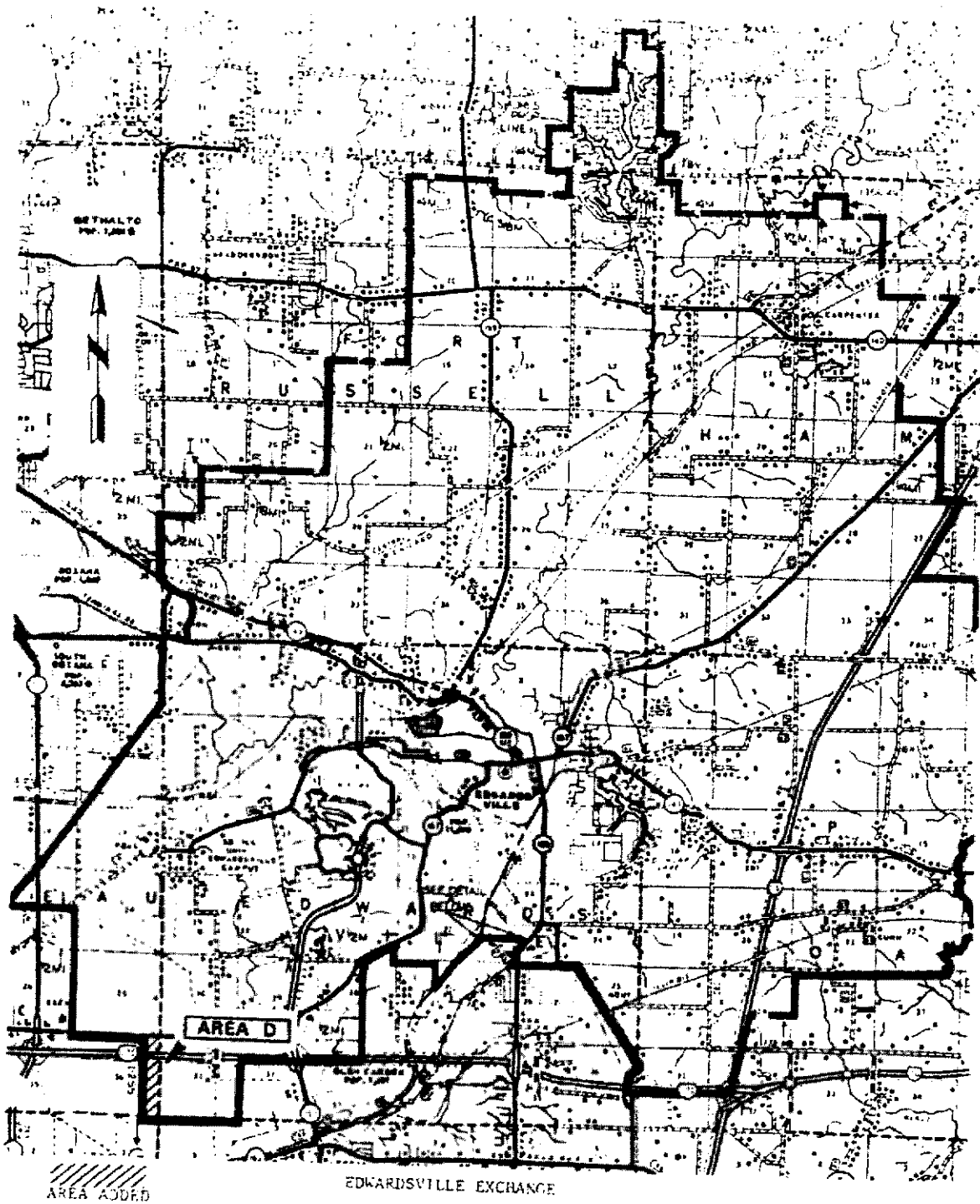
By order of the Commission this 28th day of May, 1987.

Mary S. Lushnell

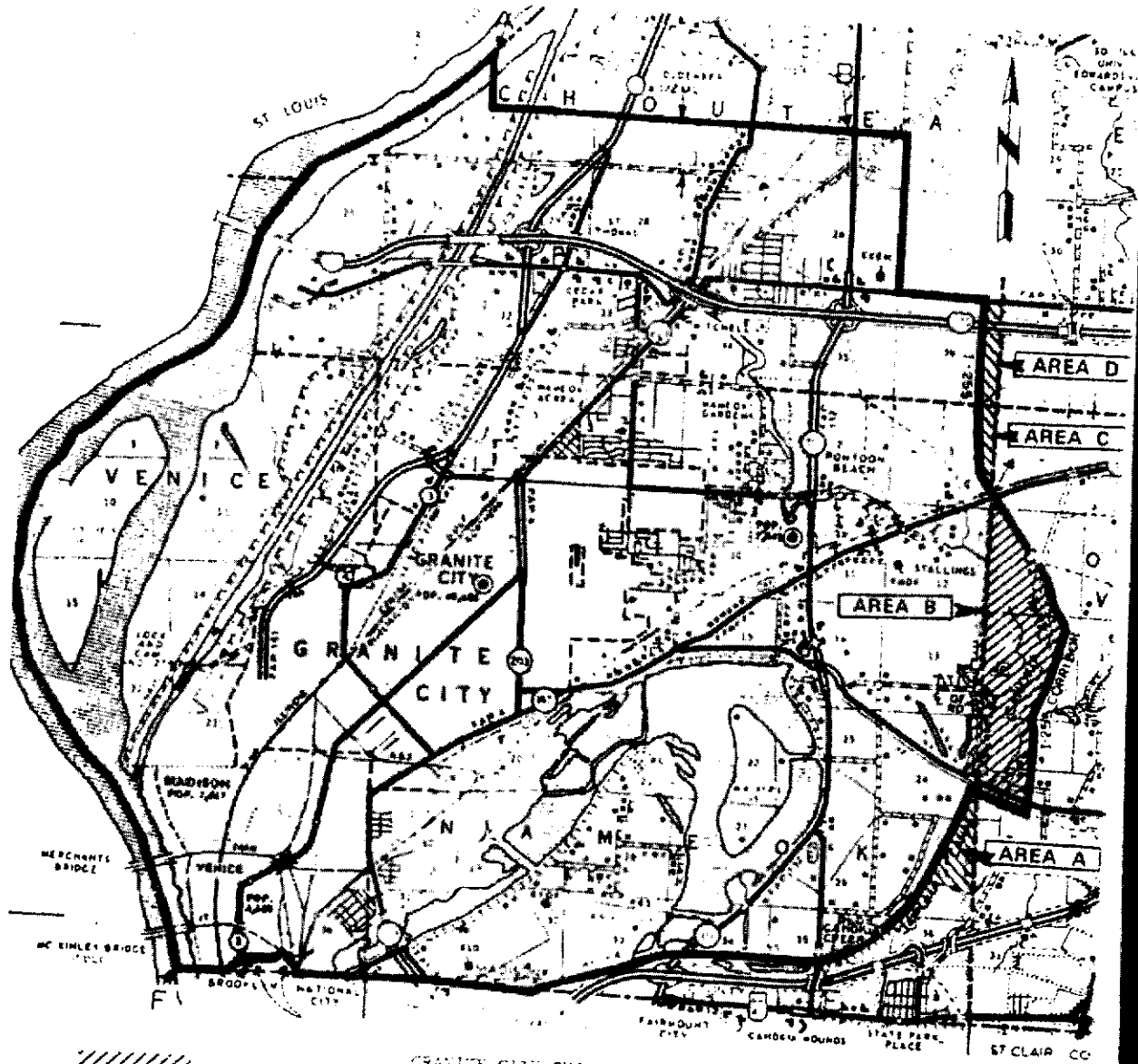
Chairman



APPENDIX A



APPENDIX C



GRANITE CITY EXCHANGE

APPENDIX E

AREA WITHDRAWN